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Philippine Ripples

Vote Weakens Marcos, But He Retains Office; Troubles Grow for U.S.

Outcome Lessens Chances To Ease Economic Woes, Won't Silence U.S. Critics

'Bonanza' for Communists?

By JUNE KRONHOLZ and ANTHONY SPAETH
Staff Reporters of THE WALL STREET JOURNAL

MANILA—A disputed outcome in the Philippine presidential election apparently leaves Ferdinand Marcos in control of the government here but less in control of his country than at any other time in his 20-year rule.

As a result of the muddled outcome, Mr. Marcos doesn't have the mandate that he hoped would reassert his leadership and silence his critics in the U.S. Congress and the Reagan administration. More ominously for the ailing, 68-year-old leader, the frenetic 60-day election campaign and the widely suspect results may rally anti-Marcos sentiment here more surely than a decade of martial law did.

All this spells trouble for the U.S., which wants stability in the Philippines. It fears that the growing unrest could ripple through the rest of the region and could endanger the two strategically important military bases that the U.S. has long had in the country.

The Reagan administration had hoped that the election would open the way for peaceful transition to a post-Marcos era and facilitate economic reforms. But that seems unlikely now. In fact, the administration worries that the political uncertainty will further hobble the Philippine army, which hasn't been able to stem the rising threat from the Communist New People's Army.

A 'Manipulated' Vote?

As both Mr. Marcos and his opponent, Corazon Aquino, exchanged charges of voter fraud yesterday, Sen. Richard Lugar, the chairman of the Senate Foreign Relations Committee and the head of an observer group sent by President Reagan, voiced U.S. displeasure with the elections. He charged that they had been "manipulated." In Washington, administration officials met throughout the day yesterday to decide how to react to charges of voting irregularities and to Mr. Marcos's determination to declare victory and get on with governing even though fewer than half the ballots had been counted.

While U.S. officials were pondering what to do next, Mr. Marcos made clear that he hasn't any intention of relinquishing office. In appearances on two U.S. television networks yesterday, he came out swinging.

"Once you get an order from the people to govern for six years, you don't pull out," he said from Manila on NBC's "Meet the Press." He added to reporters in Manila that if the U.S. didn't like the election results, he might strike a "modus vivendi" with the Soviet Union.

In this rancorous atmosphere, the election could well turn into a stalemate, with Mrs. Aquino contending that she won the vote but had been cheated out of office and Mr. Marcos holding on to power without being able to prove that he had won, either.

Mrs. Aquino's Choices

At this point, Mrs. Aquino doesn't seem to have any official avenue for challenging the results. The national assembly, in which Mr. Marcos has a two-thirds majority, begins meeting today to canvas the tallies and proclaim a winner. Mrs. Aquino could appeal the outcome to an electoral tribunal in which Marcos loyalists also control two-thirds of the votes. However, Mrs. Aquino's most likely route would be to hold daily demonstrations that would highlight Mr. Marcos's weakening hold on the country and would step up U.S pressure on him.

Already, the longtime American support of the Marcos government is slipping because of his crumbling domestic position. Revelations of vast corruption by the Marcos family have outraged the U.S. Congress, and the State Department is equally distressed by Mr. Marcos's autocratic control of the economy and of the Philippine military. In addition, many American leaders fear that the widespread charges of election fraud and subsequent demonstrations could spark violence, although that view isn't widely shared in Manila.

"If this election is simply stolen and the will of the people is thwarted, it could bring the Philippine nation to the brink of civil war," comments Rep. Stephen Solarz, a New York Democrat and the chairman of the House subcommittee that deals with the Philippines. He adds that a fraudulent election would be a "bonanza" for Communist guerrillas hoping to enlist support among the opponents of Mr. Marcos.

Question of U.S. Aid

Mr. Solarz believes that if Mr. Marcos doesn't institute reforms, the U.S. would have to reconsider how it dispenses aid to the Philippines. One suggestion that the congressman put forward is to place aid funds in an escrow account until reforms are planned. The other options would be to cut off military aid or to eliminate all assistance.

However, Mr. Solarz and other government officials warn that the U.S. shouldn't undertake counterproductive policies that could strengthen the Communist insurgency or call into question the U.S. military presence in the Philippines. The American bases are widely welcomed in Southeast Asia because they serve as counterweights to a Soviet buildup in nearby Vietnam.

"We must be cautious not to cut off our nose to spite our face," Mr. Solarz says.

At the same time, some U.S. officials see problems no matter which candidate ultimately takes over. They are worried about a victory for Mr. Marcos because it could increase his confidence and strengthen his resolve to forgo reforms. And they are worried about a victory for Mrs. Aquino because of her political inexperience and the possibility of a military coup.

The political uncertainty in the Philippines seems likely to damage the economy, which had been expected to grow slightly this year after two years of decline. Business investment—weak ever since the August 1983 assassination of Mrs. Aquino's husband, Benigno—"is going to remain paralyzed until this is settled," says Bernardo Villegas of the Center for Research and Communications, an independent think tank in Manila. And a U.S. banker who had been thinking of buying into a Philippine bank says he now has decided against it. "There's more dust in the air when we expected less," he explains.

George A. Carver, formerly of the Central Intelligence Agency in the Far East and now at the Georgetown Center for Strategic and International Studies in Washington, says that until the situation is clarified a bit, "we should do something very un-American and keep our mouths shut for a while." He believes that the American tendency to overmoralize about Philippine politics is "an itch we ought to avoid scratching" and that, before responding, U.S. officials should quietly assess the Philippines' reaction to its own election.

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